

AMENDMENTS TO THE CLAIMS

Kindly replace the claims as follows.

1. (previously presented) A method for operating an electronic trading system for the exchange of financial instruments, the method comprising:

providing a trading stack;

receiving a dynamic price improvement order, in which the dynamic price improvement order is associated with a trade for a financial instrument traded on the electronic trading system, in which the dynamic price improvement order indicates that the electronic trading system should maintain a priority of the dynamic price improvement order by adjusting a first price associated with the dynamic price improvement order to a level that is at least as good as at least one second price associated with at least one second order, and in which the priority includes a priority used by the electronic trading system for determining matches with contra orders;

receiving the at least one second order;

determining a price improvement level to assign to the dynamic price improvement order so that the priority of the dynamic price improvement order is maintained, and in which the price improvement level corresponds to an amount of change to the first price; and
assigning the price improvement level to the dynamic price improvement order.

2. (previously presented) The method according to claim 1, in which the at least one second order includes a plurality of second orders associated with a plurality of second prices.

3. (previously presented) The method according to claim 1, in which the change includes an increase in the first price.

4. (currently amended) The method according to claim [[2]] 1, in which the change includes a decrease in the first price.

5. (previously presented) The method according to claim 1, in which the priority includes a position at a front of a trading stack.

6. (previously presented) The method according to claim 1, further comprising assigning a timestamp to the dynamic price improvement order.

7. (previously presented) The method according to claim 6, further comprising maintaining the priority based on said timestamp.

8. (original) The method according to claim 6, wherein in the event two or more said dynamic price improvement orders are received, the orders with older timestamps are matched prior to orders with newer timestamps.

9. (previously presented) The method according to claim 1, wherein said price improvement level represents a fraction of a predetermined pricing increment for which orders may be submitted to the electronic trading system.

10. (previously presented) The method according to claim 1, wherein determining includes determining the price improvement level such that it is one level higher than the next best order in an order stack, wherein the price improvement level can be adjusted up to a maximum price improvement level.

11. (previously presented) The method according to claim 1, wherein the priority includes a position of the dynamic price improvement order relative to other orders in an order stack.

12. (previously presented) The method according to claim 1, wherein said determining comprises: determining the price improvement level of a best order in an order stack; and assigning a price improvement level to said dynamic price improvement order that improves the

price improvement level of said best order by one price improvement level when the price improvement level of said best order is not a maximum price improvement level.

13. (original) The method according to claim 12, further comprising assigning said maximum price improvement level to said dynamic price improvement order when the price improvement level of said best order is at said maximum price improvement level.

14. (previously presented) The method according to claim 1, wherein said dynamic price improvement order is the default order type for a predetermined number of traders that use a trading interface to submit orders to the electronic trading system.

15. (original) The method according to claim 1, wherein said dynamic price improvement order is one of several price improvement order types selected by a trader using said electronic trading system.

16. (previously presented) The method according to claim 1 further comprising:
decreasing the price improvement level of the at least one second order such that the price improvement level of the at least one second order does not exceed the price improvement level assigned to the dynamic price improvement order.

17. (previously presented) The method according to claim 16, wherein the price improvement level of the at least one second order is decreased to a price improvement level one level below a maximum price improvement level when the at least one price improved order is assigned a maximum price improvement level as its price improvement level.

18. (previously presented) A electronic trading system for the exchange of financial instruments, said system comprising at least one processor that is configured to:

receive a dynamic price improvement order , in which the dynamic price improvement order is associated with a trade for a financial instrument traded on the electronic trading system, in which the dynamic price improvement order indicates that the electronic trading system should maintain a priority of the dynamic price improvement order by adjusting a first price associated with the dynamic price improvement order to a level that is at least as good as at least one second price associated with at least one second order, and in which the priority includes a priority used by the electronic trading system for determining matches with contra orders; receive the at least one second order;

determine a price improvement level to assign to the dynamic price improvement order so that the priority of the dynamic price improvement order is maintained, and in which the price improvement level corresponds to an amount of change to the first price; and assign the price improvement level to the dynamic price improvement order.

19. (previously presented) The system according to claim 18, in which the at least one second order includes a plurality of second orders associated with a plurality of second prices.

20. (currently amended) The system according to claim 18, [[1,]] in which the change includes an increase in the first price.

21. (previously presented) The system according to claim 18, in which the change includes a decrease in the first price.

22. (previously presented) The system according to claim 18, in which the priority includes a position at a front of a trading stack.

23. (previously presented) The system according to claim 18, wherein said server is operative to assign a timestamp to the dynamic price improvement order.

24. (previously presented) The system according to claim 23, wherein said server is operative to maintain the priority based on said timestamp.

25. (previously presented) The system according to claim 18, wherein said price improvement level represents a fraction of a predetermined pricing increment for which orders may be submitted to the electronic trading system.

26. (previously presented) The system according to claim 18, wherein determining includes determining the price improvement level such that it is one level higher than the next best order in an order stack, wherein the price improvement level can be adjusted up to a maximum price improvement level.

27. (previously presented) The system according to claim 18, wherein the priority includes a position of the dynamic price improvement order relative to other orders in an order stack.

28. (previously presented) The system according to claim 18, in which determining includes: determining the price improvement level of a best order in an order stack; and assign a price improvement level to said dynamic price improvement order that improves the price improvement level of said best order by one price improvement level when the price improvement level of said best order is not a maximum price improvement level.

29. (previously presented) The system according to claim 28, wherein said processor is operative to assign said maximum price improvement level to said dynamic price improvement order when the price improvement level of said best order is at said maximum price improvement level.

30. (previously presented) The system according to claim 18, wherein said dynamic price improvement order is the default order type for a predetermined number of traders that use a trading interface to submit orders to the electronic trading system.

31. (previously presented) The system according to claim 18, wherein said processor is operative to decrease the price improvement level of the at least one second order such that the price improvement level of the at least one second order does not exceed the price improvement level assigned to the dynamic price improvement order.

32. (previously presented) The system according to claim 31, wherein the price improvement level of the at least one second order is decreased to a price improvement level one level below a maximum price improvement level when the at least one price improved order is assigned a maximum price improvement level as its price improvement level.

33. (original) The system according to claim 18, wherein said dynamic price improvement order is one of several price improvement order types selected by a trader using a workstation that is connected to said electronic trading system.

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